Saskatchewan
Ministry of
Agriculture

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All stated cattle prices are based on the weekly Canfax Market Outlook and Summary.
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Cattle Market Update

For the Month Ending June 28, 2013

All prices are quoted in Canadian dollars per hundredweight ($/cwt) unless otherwise stated.

Feeder Cattle

Steers

	Range	Average	Change from last month (May 31)
300-400	-	-	-
400-500	135-156	144.50	-0.88
500-600	135-153	144.67	+1.92
600-700	133-149	138.75	-0.45
700-800	120-141	131.00	0.00
800-900	115-127	120.25	-0.40
900+	110-126	115.38	+1.88

Heifers

	Range	Average	Change from last month (May 31)
300-400	-	-	N/A
400-500	120-135	127.75	-2.88
500-600	118-134	126.50	-1.00
600-700	115-131	123.38	+0.38
700-800	110-126	119.25	+2.12
800+	110-123	111.17	+4.04

Source: Canfax.

Note: Prices are determined from Saskatchewan auction marts' reports of sale results from Thursday of the previous week to Thursday of the current week.

Canfax reported that a total of 18,718 head of cattle were sold in Saskatchewan over the last four weeks in June, up from 17,312 head marketed over the same four weeks in June 2012.

Feeder cattle prices were mixed over the month. Average prices for feeder steers ranged from $1.92 per cwt higher to $0.88 per cwt lower. Feeder steers in both the 500-600 lb. weight class and over 900 lb. weight class traded higher, while all other feeder steer classes were unchanged to marginally lower.

Feeder heifers were also mixed ranging from $4.04 per cwt higher to $2.88 per cwt lower over the month. Feeder heifers over 600 lb. increased while feeder heifers below 600 lb. decreased over the month. The heavy weight feeder heifers over 800 lb. had the largest increase over the month increasing $4.04 per cwt.

The Saskatchewan 750 lb. feeder steer basis compared to the June 27, 2013 U.S. feeder cattle index at US$137.73 per cwt was calculated at -$13.86 per cwt (US$137.73/0.9508 - $131.00), a basis widening of $7.49 per cwt from -$6.37 per cwt on May 30, 2013.

Fed and Non-fed Cattle

	June 28	May 31	Change
Cows (Alberta)			
D1,2 Live	75.29	76.40	-1.11
D3 Live	67.07	68.00	-0.93
Rail	146.00-151.00	149.00-154.00	-3.00

Source: Canfax.

Prices for liveweight, non-fed cattle in Alberta were lower from the previous month with D1,2 slaughter cows decreasing $1.11 per cwt to average $75.29 per cwt, while D3 slaughter cows decreased $0.93 per cwt to average $67.07 per cwt.

Fed cattle in Western Canada did not trade over the June 28 week with the major flood events in Alberta the previous week, particularly affecting Calgary and High River. The Cargill plant in High River was unable to slaughter cattle due to no water source. Fed steers in Alberta the previous week of June 21 were reported at $119.51 per cwt, down from the previous week and down $2.39 per cwt from $121.90 per cwt a month ago, for the week ending May 31, 2013.

The live (FOB feedlot) weighted average 5-area (Texas/Oklahoma/New Mexico, Kansas, Nebraska, Colorado and Iowa/Minnesota) weekly fed steer price in the U.S. was reported at US$120.57 per cwt, down from US$124.64 per cwt the previous month. The dressed (delivered basis) price for U.S. steers delivered to plants in the 5-area was reported at US$193.80 per cwt, down from US$199.38 per cwt the previous month.

The weekly average Choice beef cutout values (Choice 600-900 lb.) for the week ending June 28 averaged US$199.83 per cwt, down from US$208.32 per cwt the week ending May 31, 2013.

On Friday June 21, 2013, the United States Department of Agriculture (USDA) released the monthly *Cattle on Feed Report* for May 1, 2013.

June 1, 2013, Cattle on Feed (in U.S. feedlots with 1,000+ capacity)			
	2012	2013	Per cent of previous year
On feed May 1	11,110,000	10,735,000	97
Placed during May	2,084,000	2,049,000	98
Marketed during May	2,017,000	1,948,000	97
Other disappearance during May	100,000	100,000	100
On feed June 1	11,077,000	10,736,000	97

Source: USDA

The USDA Cattle on Feed (COF) report indicated that cattle on feed numbers for May 1, 2013 were 10.735 million head, down 3.4 per cent from 11.110 million head on May 1, 2012, and down 1.6 per cent from 10.909 million head on April 1, 2013. The number of cattle placed on feed in May 2013 was down 1.6 per cent while the number of fed cattle marketed in May was down 3.4 per cent, compared to May 2012. The average trade estimates were 95.9 per cent for May placements, 97.9 per cent for May marketing's, and 96.5 per cent for cattle on feed June 1.

On Friday USDA released the June acreage report. USDA estimated that 97.379 million acres of corn are planted this year. This was noticeably higher (positive) than the average trade forecasts of 95.34 million acres of corn planted. The USDA's June grain stock survey estimated 2.764 billion bushels of corn, 435 million bushels of soybeans, and 718 million bushels of wheat in stocks, all lower (negative) than average trade estimates.

Corn futures prices were higher for the July corn contract increasing almost 18 cents per bushel while the September and December contracts decreased about 45 cents per bushel, week-over-week. Likewise, month-over-month changes for July corn futures contracts were higher while the September and December contracts were significantly lower. Tighter current corn supplies has likely pushed July corn futures higher while higher USDA estimated corn planting acres has pressured fall (September and December) corn futures prices lower.

Friday Price Information

Product		This Week (June 28)	Week of: (May 31)
Canadian Dollar (closing rate US$)		.9508	.9564
U.S. Cash Cattle			
Thurs. Feeder Cattle (FC) Index (US$ per cwt)		137.73	130.81
Seven-day Weighted Average FC Index Wt. (lb.)		757	784
Live Fed 5-area Steer Price (US$ per cwt)		120.57	124.64
Feed Grains			
Barley	Lethbridge ($/tonne)	276.00	296.00
	($ per bu.)	6.01	6.44
Corn	Iowa State Average (CDN$/tonne)*	274.52	288.17
	(US$ per bu.)	6.63	7.06
	Omaha, NE (CDN$/tonne)*	295.63	301.72
	(US$ per bu.)	7.14	7.33
Futures			
	July Corn (US$ per bu.)	6.79¼	6.62
	Sept. Corn (US$ per bu.)	5.47¼	5.97¼
	August Live Cattle (US$ per cwt)	122.025	120.450
	October Live Cattle (US$ per cwt)	125.675	123.750
	August Feeder Cattle (US$ per cwt)	149.450	144.325
	October Feeder Cattle (US$ per cwt)	153.150	148.125

Sources: Bank of Canada, Iowa Department of Agriculture and Land Stewardship, Chicago Mercantile Exchange (CME), ICE Futures Canada and USDA Livestock & Grain Market News

* conversion to CDN$ is based on Friday's CDN$ closing rate

Feeder cattle futures prices moved noticeably higher in June with the August to November 2013 feeder cattle futures prices increasing from US$4.775 per cwt to US$5.125 per cwt from the settlement price on May 31, 2013. On June 28, 2013, the August feeder cattle futures contract settled at US$149.450 per cwt while the October feeder cattle futures contract settled at US$153.150 per cwt. Lower corn fall futures prices over the month and strong fed cattle prices were likely the major reason for rising feeder cattle futures prices.

Live cattle futures prices also moved higher over the month with the August to December 2013 contracts increasing from US$1.575 per cwt to US$1.950 per cwt from the settlement price on May 31, 2013. Record high beef cutout values and lower feeder cattle placements has likely helped live cattle futures prices move higher over the month.

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